

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 61st LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

#### **Call to Order:**

**CHAIRMAN BOB LAKE**, on January 9, 2009 at 8:00 A.M., in Room 152 Capitol.

#### **ROLL CALL**

#### **Members Present:**

Rep. Bob Lake, Chairman (R)  
Rep. Jill Cohenour, Vice Chairman (D)  
Rep. Janna Taylor, Vice Chairman (R)  
Rep. Dick Barrett (D)  
Rep. Mark Blasdel (R)  
Rep. Edward B. Butcher (R)  
Rep. Wanda Grinde (D)  
Rep. Robin Hamilton (D)  
Rep. Brian Hoven (R)  
Rep. Mike Jopek (D)  
Rep. Dave McAlpin (D)  
Rep. Mike Miller (R)  
Rep. Art Noonan (D)  
Rep. JP Pomnichowski (D)  
Rep. Lee Randall (R)  
Rep. J. David Roundstone (D)  
Rep. Jon Sonju  
Rep. Wayne Stahl (R)  
Rep. Chas Vincent (R)  
Rep. Brady Wiseman (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Jeff Martin, Legislative Branch  
Jennifer O'Loughlin, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Organizational Meeting

00:02:52 James Standaert, Legislative Fiscal Analyst, discussed public school funding.

[EXHIBIT \(tah05a01\)](#)

[EXHIBIT \(tah05a02\)](#)

00:15:15 Rep. Miller

00:15:34 Mr. Standaert

00:17:02 Rep. Sonju

00:17:16 Mr. Standaert

00:17:47 Rep. Sonju

00:17:56 Mr. Standaert

00:18:20 Rep. Sonju

00:18:26 Mr. Standaert

00:18:48 Rep. Hoven

00:19:12 Chairman Lake

00:19:28 Mr. Standaert

00:19:37 Rep. Taylor

00:19:53 Mr. Standaert

00:20:19 Chairman Lake

00:20:44 Mr. Standaert

00:25:32 Chairman Lake

00:25:55 Mr. Standaert

00:27:39 Rep. Roundstone

00:28:12 Mr. Standaert

00:28:17 Rep. Roundstone

00:28:28 Mr. Standaert

00:28:44 Rep. Roundstone

00:28:50 Mr. Standaert

00:35:56 Rep. Stahl

00:36:06 Mr. Standaert

00:36:54 Rep Hoven

00:37:12 Mr. Standaert

00:37:56 Rep. Butcher

00:39:14 Chairman Lake

00:39:39 Rep. Stahl

00:39:54 Mr. Standaert

00:44:12 Rep. Vincent

00:44:40 Mr. Standaert

00:46:41 Chairman Lake

00:48:13 Debbie Jurcich, Program Specialist, Compliance Valuation, Department of Revenue (DOR) gave an overview of business tax and exemption and property relief available to residential property owners.

01:05:54 Rep. Barrett

01:06:32 Ms. Jurcich

01:06:41 Rep. Barrett  
01:07:04 Mary Craigle, Economist, DOR Tax Policy and Research  
01:07:54 Rep. Hoven  
01:08:05 Ms. Jurcich  
01:08:18 Rep. Hoven  
01:08:25 Ms. Jurcich  
01:10:09 Rep. Taylor  
01:10:21 Ms. Jurcich  
01:11:32 Rep. Hoven  
01:11:44 Ms. Jurcich  
01:17:57 Rep. Barrett  
01:19:44 Ms. Jurcich  
01:21:12 Rep. Barrett  
01:21:51 Ms. Jurcich  
01:27:07 Chairman Lake

01:27:41 Mary Craigle, Economist, DOR, gave a presentation on taxes levied by taxing jurisdiction, by tax year 2008, and by property class, summarized property valuation and taxes levied, outlined market and taxable value of Montana property, taxable value of incorporated cities and towns, and statewide property values.

**EXHIBIT (tah05a03)**

01:33:35 Rep. Hoven  
01:33:54 Ms. Craigle  
01:34:04 Rep. Hoven  
01:34:26 Ms. Craigle  
01:37:40 Chairman Lake  
01:38:07 Ms. Craigle  
01:38:42 Chairman Lake

01:40:54 Break

01:55:10 Reconvene

01:55:37 Gene Walborn, Bureau Chief, Business and Income Taxes Division, DOR, described state general fund types.

02:01:20 Shona McHugh, Bureau Chief, Individual and Withholding Taxes Division, DOR, provided an overview of calculation and components of individual income taxes, a summary of tax credits, and comparison of income and taxes paid.

**EXHIBIT (tah05a04)**

**EXHIBIT (tah05a05)**

02:15:29 Brian Olson, Individual Income Tax Specialist, DOR, discussed inheritance and estate taxes.  
02:20:31 Chairman Lake  
02:20:41 Mr. Olson

02:21:42 Chairman Lake  
02:22:06 Mr. Olson  
02:22:47 Chairman Lake  
02:23:13 Mr. Olson  
02:23:31 Chairman Lake  
02:23:45 Mr. Olson

02:24:39 Brian Staley, Corporate Tax Unit Manager, DOR, discussed corporation license taxes.

**EXHIBIT (tah05a06)** Overview of Montana License Tax

02:37:55 Rep. Hoven  
02:38:12 Mr. Staley  
02:38:34 Rep. Hoven  
02:38:43 Mr. Staley  
02:38:59 Rep. Hoven  
02:39:10 Mr. Staley  
02:39:22 Rep. Hoven  
02:39:34 Mr. Staley  
02:39:52 Rep. Taylor  
02:40:20 Mr. Staley  
02:40:26 Rep. Taylor  
02:40:31 Mr. Staley

02:40:50 Van Charlton, Dept. of Revenue Natural Resource Unit Manager, gave an overview of natural resource taxes.

02:43:18 Rep. Stahl  
02:43:33 Mr. Charlton  
02:49:38 Rep. Hoven  
02:49:53 Mr. Charlton  
02:54:48 Rep. Hoven  
02:55:00 Mr. Charlton  
02:56:16 Rep. Stahl  
02:56:32 Mr. Charlton  
02:56:56 Rep. Stahl  
02:57:07 Mr. Charlton  
03:09:20 Rep Butcher  
03:09:47 Mr. Charlton  
03:09:58 Rep. Butcher  
03:10:33 Mr. Charlton  
03:10:59 Rep. Butcher  
03:11:13 Mr. Charlton

03:13:04 James McKeon, Manager, Miscellaneous Programs, DOR, discussed the 18 different miscellaneous taxes administered by the Department of Revenue.

03:31:01 Rep. Sonju  
03:31:09 Mr. McKeon  
03:35:03 Chairman Lake  
03:36:01 Mr. McKeon  
03:40:14 Chairman Lake

**ADJOURNMENT**

03:40:27 Adjournment: 11:45 A.M.

REP. BOB LAKE, Chairman

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JENNIFER O'LOUGHLIN, Secretary

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Additional Documents:

**EXHIBIT ([tah05aad.pdf](#))**